

RBI/2007-2008/175

RPCD.CO.RRB. No. BC. 35 / 03.05.28(B)/2007-08

October 31, 2007

All Regional Rural Banks

Dear Sir,

Section 42 (1) of Reserve Bank of India Act, 1934 –
Maintenance of Cash Reserve Ratio (CRR)-
Regional Rural Banks(RRBs)

Please refer to our circular RPCD.CO.RRB.BC.17/03.05.28(B) /2007-2008 (RBI/2007-08/109) dated August 1, 2007 on the captioned subject. On a review of the current liquidity situation, it has been decided to increase Cash Reserve Ratio (CRR) of all Regional Rural Banks by 50 basis points to 7.50 per cent of their demand and time liabilities with effect from the fortnight beginning November 10, 2007.

2. A copy of the relative notification RPCD RRB.CO No.4555/ 03.05.28(B) / 2007 -08 dated October 31, 2007 is enclosed.

3. Please acknowledge receipt to our Regional Office concerned.

Yours faithfully,

(Surekha Marandi)
General Manager

RPCD.CO.RRB.No. 4555 / 03.05.28(B)/2007-08

October 31, 2007

NOTIFICATION

In exercise of the powers conferred under sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934 and in partial modification of the notification RPCD.CO.RRB.No 16 /03.05.28(B) /2007-2008 dated August 01, 2007, the Reserve Bank of India hereby notifies that every Regional Rural Bank should maintain a Cash Reserve Ratio (CRR) of 7.50 per cent of its demand and time liabilities from the fortnight beginning November 10, 2007.

(V.S.Das)
Executive Director